

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION

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July 8, 2003

FROM: ED KIECZYKOWSKI, County Librarian
County Library

SUBJECT: PAYMENT TO UNIQUE MANAGEMENT SERVICES

RECOMMENDATION: Authorize the Purchasing Agent to issue a Purchase Order to Unique Management Services, Inc. in the amount of \$54,000 for library collection services during FY 2003/04.

BACKGROUND INFORMATION: In 1996 the County Library reviewed its procedures for collection of overdue materials and fees, and following an extensive review process, selected Unique Management Services, Inc. (Unique) to provide collection services, which it has done since 1998. A major advantage with this vendor has been its specialization in library collections and its ability to provide an online interface with the Library's automated circulation system vendor, Data Research Associates. This has enabled the automatic, electronic transmittal of accounts directly from the County Library's circulation system to Unique and has eliminated the need for preparation of manual statements by Library staff.

In an effort to increase its recovery of delinquent materials, County Library lowered the minimum dollar value for submittal of delinquent materials for collection from \$100 to \$75 per account. This produced a significant increase in the number of accounts processed by Unique, and an increase in total charges by Unique, based on \$8.95 per submission.

Total payments to Unique Management for FY 2002/03 are expected to reach approximately \$45,000, with an average submission rate of 420 accounts per month. With the recent approval of fines/fee increases, the number of accounts submitted for collection is expected to increase by approximately 20% to 500 submissions per month. This will result in a projected increase in overall collection services costs to \$54,000 for FY 2003/04 and should result in an increase in collection revenues as well. Approval of above Recommendation is necessary to comply with County Policy 11-05, which requires Board Approval for services over \$25,000 per department per vendor per scope of service each fiscal year.

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Approval of this item would also allow Unique Management Services to continue to provide the County with library collection services through June 30, 2004. During the current fiscal year, Library staff plans to proceed with a Request for Proposal process to determine the most cost effective option of providing this service for future years.

Returns on the collection service have been significant over the history of the account. Since inception of the service in 1998, Unique has recovered over \$857,478 in materials and \$233,566 in fines/fees for the Library out of approximately 11,850 accounts submitted. Total returns represent a net cash benefit of approximately \$127,540 after deducting the cost of the collection service. Although collection revenue more than offsets the collection costs, the major benefit of collection efforts is the value of the library materials recovered.

REVIEW BY OTHERS: This agenda item has been reviewed by County Counsel (Dawn Stafford, Deputy County Counsel) on June 18, 2003, the County Administrative Office (Tom Forster, Administrative Analyst III) on June 30, 2003, and has been coordinated for procurement with the Purchasing Department (Aurelio DeLaTorre, Director of Purchasing).

FINANCIAL IMPACT: This action recommends the issuance of a Purchase Order in the amount of \$54,000 to Unique Management Services for library collection services. This expense and related revenues were included in the Library's 2003/04 Budget.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item and concurs with the department's proposal and recommends this action based on the demonstrated financial gain and the importance of recovering library materials as budgetary constraints limit ongoing material purchases.

SUPERVISORIAL DISTRICT(S): All.

PRESENTER: Ed Kieczykowski, 387-5721.